THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR) : (a) and (b) The Hon'ble Member is presumably referring to the following incidents :—

(i) One Shri Sawinder Singh @ Surender Singh was being interrogated at the office of the Directorate of Enforcement at Lok Nayak Bhawan when he jumped from the 6th floor office of the Directorate in the early hours of 29-2-1992. He was taken to Dr. Ram Manohar Lohia Hospital, New Delhi. The doctors on duty declared Shri Sawinder Singh "brought dead".

On directions of the Supreme Court, the District and Sessions Judge, Delhi has appointed a Senior Additional District and Sessions Judge, Delhi to hold an enquiry into the circumstances of Shri Sawinder Singh's death.

(ii) On 23-4-1992, one person named Shri Sudhir Kumar Chaudhary jumped out of the window of a room of the Central Revenues Building while his statement was being recorded by the officers of Delhi Customs in connection with a seizure of 252 VCPs and 125 packages of ball bearings of foreign origin collectively valued at 53.80 lakhs. Shri Chaudhary was rushed to LNJP Hospital and is undergoing treatment in this hospital. A departmental enquiry has been ordered. The Delhi Police authorities were also immediately informed about the incident and they have made preliminary enquiries.

Customs Duty on Bearings

796. SHRI SANTOSH BAGRODIA : Will the Minister of FINANCE be pleased to state :

(a) whether there is any proposal under Government consideration to cut down Customs Duty on all kinds of bearings;

(b) if so, what are the details thereof; and

(c) what steps Government have taken so far and propose to take to check smuggling of this item ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR) : (a) At present, there is no proposal under Government's consideration to cut down customs duty on bearings.

(b) Does not arise.

(c) The machinery to check smuggling of contraband goods including bearings has been strengthened from time to time and preventive activities intensified. Close coordination is maintained with all the enforcement agencies.

Employment on Compassionate Grounds in Punjab National Bank

797. PROF. SAURIN BHATTACHARYA : Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that the Punjab National Bank's regional office at Kanpur has finally refused employment to widows on compassionate ground whose husbands died in harness or died while under suspension from the employment recently ;

(b) if so, whether it is also a fact that the lapses of PNB had delayed the completion of enquiries against those employees who were put under suspension for a long time ; and

(c) if so, what are the details thereof and further action proposed to be taken to employ the widows in the bank ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH) : (a) to (c) The information is being collected and will be laid on the Table of the House.

Under Invoicing of Prices on Import of Ball-Bearing

798. SHRI CHIMANBHAI MEHTA :
SHRI J.P. JAVALI :
SHRI SOM PAL :
SHRIMATI MIRA DAS :

Will the Minister of FINANCE be pleased to state :

(a) whether it is a fact that ball bearing importers of Bombay were recently caught for under invoicing upto 75 per cent. of the import price ;

(b) if so, what are the details thereof;

(c) what was the pre-budget custom duty on ball bearing and what are the new duty rates;

(d) what are the reasons for imposing new duty rates;

(e) whether the local manufacturers are charging unduly higher prices of ball bearings;

(f) if so, what are the details thereof; and

(g) how the new duty structure of import duty on ball-bearing will introduce fair competition without causing damage to local industry?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) and (b) Based on intelligence reports that certain important importers of ball-bearings were suspected to be indulging in under invoicing and violation of Foreign Exchange Regulation Act, 1973, the Directorate General of Revenue Intelligence in coordination with the Directorate of Enforcement carried out searches on several business and residential premises at Bombay, Calcutta and Delhi. From some of the premises, some import documents and price lists of bearings were seized and taken over. The scrutiny of the seized documents is in progress for ascertaining any possible violations including underinvoicing.

(c) Ball and roller bearing are chargeable to basic customs duty in terms of notification No. 70/89-Customs dated the 1st March, 1989 as amended from time to time. Copies of this notification indicating the pre-budget and present duty rates are placed at Statement I and II (See below) respectively. This item also attracted an auxiliary duty of 50% ad valorem prior to 1-3-92 and 45% ad valorem w.e.f. 1-3-92 but has been fully exempted from auxiliary duty with effect from 30-4-92. Further, ball and roller bearings were leviable to additional customs duty of 22% ad valorem until 29-2-92. From 1-3-92, the additional customs duty is 23% ad valorem.

(d) and (g) There had been reports of large scale underinvoicing of imports of ball and roller bearings after the Budget 1992-93. Many Members of Parliament had represented that this persistent underinvoicing was adversely affecting the domestic manufacturers of ball and roller bearings, especially those in the small scale sector. In order to remedy the situation, imports of ball and roller bearings have been exempted from the ceiling of 110% import duty w.e.f. 30-4-92 so as to allow the specific rates of duty to become operational. At the same time, the ad valorem duty rates have been reduced in many cases with effect from the same date so that the total duty incidence on these items is lowered in line with the general thrust of the Budget proposals.

(e) and (f) The prices of ball and roller bearings in the local market are determined by several factors such as demand and supply. Free imports of this item, permitted under the Export-Import Policy 1992—97, coupled with import duty adjustment made recently would guard against any attempt to charge unduly higher prices.

(g) Reply included in (d) above.

Statement I

Notification No. 70/89-Customs dated 1-3-88 as amended by Notification No. 83/91-Customs dated 25-7-1991

G.S.R. 285(E)—In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), and in supersession of the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 146/86-Customs dated the 26th February, 1986, the Central Government, being satisfied that it is necessary in the public interest so to do, hereby exempts the goods specified incolumn (2) of the Table hereto annexed and falling under heading No. 84.82 of the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), when imported into India from so much of that portion of the duty of customs leviable thereon which is in excess the amount calculated at the rates specified in the corresponding entry in column (3) of the said Table

TABLE

S. No.	Description of goods	Rate of duty
(1)	(2)	(3)
1	Ball and roller bearings other than those specified in S. Nos. and 5 below	60 % *ad valorem*
2	Parts of goods specified in S. No. 1 above.	40% *as valorem*
3	Ball bearings not exceedng 60 mm bore Diameter, namely:	
	(a) Deep groove single row ball bearings of bore diameter—	
	(i) below 10 mm	Rs. 25 per bearing
	(ii) 10 mm and above but not exceeding 15mm	Rs. 36 per bearing
	(iii) exceeding 15mm but not exceeding 20 mm	Rs. 50 per bearing
	(iv) exceeding 20 mm but not exceeding 30 mm	Rs. 65 per bearing
	(v) exceeding 30 mm but below 40 mm	Rs. 110 per bearing
	(vi) 40 mm and above but not exceeding 60 mm.	Rs. 145 per bearing
	(b) Other ball bearings, the net weight in kilogram per piece of whigh is,	
	(i) 0.017 or more but not exceeding 0.091	100% *ad valorem* plus Rs. 6 per bearing
	(ii) exceeding 0.091 but not exceeding 0.028	100% *ad valorem* plus Rs. 9 per bearing
	(iii) exceeding 0.208 but not exceeding 0.510	100 % *ad valorem* plus Rs. 17 per bearing
	(iv) exceeding 0.510 but not exceeding 1.018	100% *ad valorem* plus Rs. 26 per bearing
	(c) Others	100% *ad valorem*
4.	Parts of good specified in S. No. 3 above, namely—	
	(a) Inner and outer rings of ball bearings covered by items	The rate applicable to the bearing of which they are parts
	(b) Others	100% *ad valorem*
5.	Roller bearings of all types including needle roller bearings not exceeding 65mm bore diameter, namely :—	
	(a) Taper roller bearings of bore diameter—	
	(i) 10 mm and above but not exceeding 20 mm	Rs. 75 per bearing
	(ii) exceeding 20mm but below 30 mm	Rs. 95 per bearing
	(iii) 30 mm and above but not exceeding 40 mm	Rs. 115 per bearing
	(iv) exceeding 40 mm but below 50 mm	Rs. 160 per bearing
	(v) 50 mm and above but not exceeding 55 mm	Rs. 225 per bearing
	(vi) exceeding 55 mm but not exceeding 65 mm	Rs. 280 per bearing
	(b) Other roller bearings, the net weight in kilogram per piece of which is :—	
	(i) 0.066 or more but not exceeding 0.287	100% *ad valorem* plus Rs. 15 per bearing
	(ii) exceeding 0.287 but not exceeding 0.647	100% *ad valorem* plus Rs. 26 per bearing

S. No.	Description of goods	Rate of duty
(1)	(2)	(3)
	(iii) exceeding 0.647 but not exceeding 0.915	100 % *ad valorem* plus Rs. 38 per bearing
	(iv) exceeding 0.915 but not exceeding 2.244	100 % *ad valorem* plus Rs. 80 per bearing
	(c) Others	100% *ad valorem*
6.	Parts of goods covered by S. No. 5 above, namely :—	
	(a) Cups and cones of roller bearings covered by items (a) and (b) of S. No. 5 above	The rate of duty applicable to the bearing of which they are parts
	(b) Inner and Outer rings of roller bearings covered by items (a) and (b) of S. No. 5 above	The rate of duty applicable to the bearing of which they are parts
	(c) Others	100 % *ad valorem*

Statement-II

Persent Rates

Notification No. 168/92—*Customs dated* 30-4-1992

G.S.R. 455(E)-In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government, being satisfied that it is necessary in the public interest so to do, here by makes the following further amendment in the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 70/89-Customs, dated the Ist March, 1989, namely: —

In the said notification, for the Table, the following Table shall be substituted, namely—

TABLE

S. No.	Description of goods	Rate of duty
(1)	(2)	(3)
1	Ball and roller bearings other than those specified in S. Nos. 3 and 5 below	100% *ad valorem*
2	Parts of goods specified in S. No. 1 above.	80% *ad valorem*
3	Ball bearings not exceeding 60 mm bore diameter, namely:—	
	(a) Deep groove single row ball bearings of bore diameter:—	
	(i) below 10 mm	Rs. 25 per bearing
	(ii) 10 mm and above but not exceeding 15 mm	Rs. 36 per bearing
	(iii) exceeding 15 mm but not exceeding 20 mm	Rs. 50 per bearing
	(iv) exceeding 20 mm but not exceeding 30 mm	Rs. 65 per bearing
	(v) exceeding 30 mm but below 40 m n	Rs. 110 per bearing
	(vi) 40 mm and above but not exceeding 60 mm.	Rs. 145 per bearing

S. No.	Description of goods	Rate of duty
(1)	(2)	(3)
	(b) Other ball bearings, the net weight in kilogram per piece of which is,	
	(i) 0.017 or more but not exceeding 0.091	105 % *ad valorem* plus Rs. 6 per bearing
	(ii) exceeding 0.091 but not exceeding 0.208	105% *ad valorem* plus Rs. 9 per bearing
	(iii) exceeding 0.208 but not exceeding 0.510	105% *ad valorem* plus Rs. 16 per bearing
	(iv) exceeding 0.510 but not exceeding 1.018	105% *ad valorem* plus Rs. 26 per bearing
	(c) Others	110% *ad valorem*
4.	Parts of goods specified in S. No. 3 above, namely:—	
	(a) Inner and outer rings of ball bearings covered by items	The rate applicable to the bearing of which they are parts
	(b) Others	110% *ad valorem*
5	Roller bearings of all types including needle roller bearings not exceeding 85mm bore diameter, namely:—	
	(a) Taper roller bearings of bore diameter—	
	(i) 10mm and above but not exceeding 20 mm	Rs. 75 per bearing
	(ii) exceeding 20 mm but below 30 mm	Rs. 95 per bearing
	(iii) 30 mm and above but not exceeding 40 mm	Rs. 115 per bearing
	(iv) exceeding 40 mm but below 50 mm	Rs. 160 per bearing
	(v) 50 mm and above but not exceeding 55 mm	Rs. 225 per bearing
	(vi) exceeding 55 mm but not exceeding 85 mm	Rs. 280 per bearing
	(b) Other roller bearings, the net weight in kilogram per piece of whigh is :	
	(i) 0.066 or more but not exceeding 0.287	105% *ad valorem* plus Rs. 15 per bearing
	(ii) exceeding 0.287 but not exceeding 0.647	105% *ad valorem* plus Rs. 26 per bearing
	(iii) exceeding 0.647 but not exceeding 0.915	105% *ad valorem* plus Rs.38 per bearing
	(iv) exceeding 0.915 but not exceeding 2.244	105% *ad valorem* plus Rs. 80 per bearing
	(c) Others	110% *ad valorem*
6	Parts of goods covered by S. No. 5 above, namely:—	
	(a) Cups and cones of roller bearings covered by items (a) and (b) of S. No . 5 above	The rate of duty applicable to the bearing of which they are parts
	(b) Inner and Outer rings of roller bearings covered by items (a) and (b) of S.No. 5 above	The rate of duty applicable to the bearing of which they are parts
	(c) Others	110% *ad valorem*